

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
ALEXANDRIA DIVISION

UNITED STATES OF AMERICA

v.

No. 1:04cr00448-A

JOHN J. PHILLIPS.

RESTITUTION JUDGMENT

1. The defendant is sentenced to pay, as restitution, \$477,037.40, jointly and severally with any co-defendants who are ordered to pay restitution for the same losses.¹
2. The defendant is due a credit of \$360,000.00, the amount paid to and received by the Clerk of Court, with the remaining restitution balance of \$117,037.40.
3. The language in the Preliminary Order of Forfeiture directing to apply the net proceeds from any such forfeiture of the defendant's property related to this case to the defendant's restitution debt shall be VACATED.
4. With respect to the defendant's \$9,227.64 in his Morgan Stanley Account, the Order of Forfeiture is VACATED, as to that one asset, and the Secret Service, the custodian of the account, shall forward the net proceeds from that account, less any costs associated with the forfeiture such as advertising costs, to the Clerk of Court to be applied to the defendant's restitution debt.
5. The Government represents that the United States Attorney intends to submit a Restoration Application to the Attorney General seeking to apply the net proceeds of the forfeited 1999 Lincoln Navigator # 5LMPU28A2XLJ29502 to the remaining restitution balance.
6. The amount of restitution paid to any victim, collectively, shall not exceed the victim's total loss from the offense of conviction.
7. The victims' names and addresses, and each victim's total loss, are listed in Attachment

¹ The presently known co-defendants are **Edward J. Soboleski**, Docket No. 1:04CR00001-001, who was sentenced on March 19, 2004 and ordered to pay \$38,984.35 in restitution; **Kevin A. McGandy**, Docket No. 1:04CR00165-001, who was sentenced on July 7, 2004 and ordered to pay \$86,267.57 in restitution; and **Elisa V. Bescher**, Docket No. 1:04CR00207-A, who was sentenced on May 6, 2005 and ordered to pay \$405,755.87 in restitution.

A to this Restitution Judgment.

8. Interest:

_____ is waived.

_____ accrues as provided in 18 U.S.C. § 3612(f).

9. Restitution is due immediately. The defendant shall make a bona fide effort to pay restitution in full as soon as practical.

10. If incarcerated, the defendant shall participate in the Bureau of Prisons' Inmate Financial Responsibility Program at a rate of at least \$25 per quarter, or if assigned as a UNICOR grade 1 through 4 employee, at least 50% of the prisoner's monthly pay.

11. The defendant shall pay to the Clerk at least \$_____ per month beginning

_____.

12. All payments shall be made to the Clerk of Court, United States District Court, 401 Court House Square, Alexandria, VA 22314.

13. The defendant shall notify, within 30 days, the Clerk of Court and the United States Attorney's Office, Financial Litigation Unit, 8000 World Trade Center, Norfolk, VA 23510 of: (a) Any change of name, residence, or mailing address; and (b) Any material change in economic circumstances that affects the ability to pay restitution.

14. No delinquent or default penalties will be imposed except upon Order of the Court.

15. Priority of Payments to Victims.

Since there is more than one victim, and full amount due as restitution has not been paid, the Clerk shall make payments in \$100.00 increments to each of the victims until all victims have been paid in full. Target, as the victim owed the least, shall receive the first payment; Lowe's, as the victim owed the second least, shall receive the second payment, and so on until all victims have received a payment. The process shall be repeated until all victims have been paid in full.

GERALD BRUCE LEE
UNITED STATES DISTRICT JUDGE

ENTERED this _____ day of November, 2005.

at Alexandria, Virginia

WE ASK FOR THIS:

Paul J. McNulty
United States Attorney

SEEN AND AGREED

John J. Phillips
Defendant

Stephanie Bibighaus Hammerstrom
Assistant United States Attorney
2100 Jamieson Avenue
Alexandria, VA 22314
703-299-3700

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Counsel for Defendant
1199 North Fairfax Street
Tenth Floor
Alexandria, VA 22314
703-836-7441

John J. Phillips
Defendant

ATTACHMENT A TO RESTITUTION JUDGMENT

	John J. Phillips	Kevin A. McGandy	Edward J. Soboleski	Elisa V. Bescher	Total Due to Victim
Target Target Financial Services A/P Investigations 3701 Wayzata Blvd. 6C-C Minneapolis, MN 55416	\$300.00	\$0.00	\$0.00	\$300.00	\$300.00
Lowe's GE Consumer Finance Attn: Kellie Meador 5300 Kings Island Dr. Mason, OH 45040	\$482.09	\$0.00	\$0.00	\$482.09	\$482.09
National City Bank Providian Financial Services P.O. Box 66013 Dallas, TX 75266	\$1,498.21	\$0.00	\$0.00	\$1,498.21	\$1,498.21
J.C. Penney GE Consumer Finance Attn: Kellie Meador 5300 Kings Island Dr. Mason, OH 45040	\$1,852.78	\$0.00	\$0.00	\$1,852.78	\$1,852.78
Nordstrom Fraud Investigations P.O. Box 79137 Phoenix, AZ 85062	\$1,937.26	\$0.00	\$0.00	\$1,937.26	\$1,937.26
Providian Providian Financial Services P.O. Box 66013 Dallas, TX 75266	\$4,401.35	\$0.00	\$0.00	\$4,401.35	\$4,401.35
First National Bank of Omaha Attn: Fraud Department 1620 Dodge Street Omaha, NE 68197	\$4,999.51	\$0.00	\$0.00	\$4,999.51	\$4,999.51

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Bank One/First USA Attn: Restitution P.O. Box 2003 Elgin, IL 60121-2003	\$21,985.06	\$0.00	\$0.00	\$21,985.06	\$21,985.06
MBNA America Attn: Fraud Department 655 Papermill Road Wilmington, DE 19884	\$22,991.48	\$0.00	\$0.00	\$22,991.48	\$22,991.48
Chase Manhattan Bank Fraud Investigations 4900 Memorial Highway 2 nd Floor Tampa, FL 33634	\$28,854.91	\$999.81	\$999.81	\$28,854.91	\$28,854.91
Fleet Credit Card Services Fraud Department 680 Blair Mill Road Horsham, PA 19044	\$29,486.46	\$14,993.99	\$4,997.55	\$29,486.46	\$29,486.46
Discover Discover Financial Services P.O. Box 29024 Phoenix, AZ 85038	\$61,301.64	\$0.00	\$0.00	\$32,400.00	\$61,301.64
American Express 6712 Washington Avenue Suite 210 Egg Harbor Township, NJ 08234	\$39,634.56	\$12,786.08	\$7,798.58	\$39,634.56	\$39,634.56
Home Depot Citigroup Citigroup Investigative Services Attn: Claudette Moser 14700 Citicorp Drive Building 21/First Floor Hagerstown, MD 21742	\$45,562.35	\$0.00	\$0.00	\$45,562.35	\$45,562.35
Citibank, Inc. Citigroup Investigative Services Attn: Claudette Moser 14700 Citicorp Drive Building 2/First Floor Hagerstown, MD 21742	\$45,769.22	\$5,317.82	\$4,999.83	\$45,769.22	\$45,769.22

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Household Credit Services Fraud Department 1441 Schilling Place P.O. Box 80041 Salinas, CA 93912	\$67,489.89	\$26,989.85	\$4,997.04	\$59,366.70	\$67,489.89
Bank of America Fraud Department P.O. Box 2218 Purcellville, VA 20134	\$88,494.91	\$25,180.02	\$15,191.54	\$64,233.93	\$88,494.91
First USA Attn: Fraud Department 2500 Westfield Drive Elgin, IL 60123	\$9,995.72	\$0.00	\$0.00	\$0.00	\$9,995.72
Total Due from Defendant:	\$477,037.40	\$86,267.57	\$38,984.35	\$405,755.87	\$477,037.40